

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF DONALD J.)	APPEAL NO. 06-A-2534
FRASER from the decision of the Board of)	FINAL DECISION
Equalization of Kootenai County for tax year 2006.)	AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing December 13, 2006, in Coeur d'Alene, Idaho, before Hearing Officer Steven Wallace. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant Donald Fraser appeared for himself. Assessor Mike McDowell, Deputy Assessor Lon Middleton appeared for Respondent Kootenai County. This appeal is taken from a decision of the Kootenai County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. C12090080240.

The issue on appeal is the market value of residential property.

The decision of the Kootenai County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$76,500, and the improvements' valuation is \$157,157, totaling \$233,657. Appellant requests the land value be reduced to \$60,000, and the improvements' value be reduced to \$117,723, totaling \$177,723.

The subject property is a .265 acre residential lot with a 1,634 square foot single-story residence built in 1999. Subject is located in Canfield Park 2nd Addition in Coeur d' Alene, Idaho.

Appellant first noted the dramatic increase in subject's value over the prior two years. To support the proposed value reduction, Appellant pointed to the 2006 assessments of an adjacent property and one located across the street from subject. It was observed that both properties had larger square footages, additional bedrooms and bathrooms, fireplaces, and fully-fenced yards. Appellant questioned why subject was assessed only minimally lower when compared to these larger residences, and contended subject would not sell for the assessed value.

Respondent explained that subject's area was re-appraised for the 2005 tax year to

determine base values. To maintain market values each year, positive trends were calculated using sales data. It was noted there were 109 sales in subject's area during 2005. The trending value was then applied uniformly to the original base values for all properties in subject's area to arrive at the 2006 assessments.

Respondent argued the properties referenced by Appellant were not comparable to subject because they were split-level residences, whereas subject was a one-story ranch style structure. If the comparisons were made, Respondent contended that the lower level of the comparable residences would be valued differently (lower) than the main living floor. This point was also used to explain why subject was assessed minimally lower compared to the larger neighboring properties. Respondent also mentioned that recent sales data indicated single-level residences sell for more per square foot than two or three-story residences.

Respondent then provided three sales of ranch style homes in subject's immediate area, similar to subject in structure and lot size. They ranged in price from \$90.49 to \$110.18 per square foot. Subject was assessed for \$88.01 per square foot.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

For the purpose of taxation, Idaho mandates that all property be valued at market value as defined in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full

cash payment.

Appellant's primary point of contention was subject's dramatic increases is assessed value. Idaho statutes, however, do not limit the amount of possible increase or decrease in assessed value per year, and Idaho Code § 63-205(1) requires real property be assessed at current market value each year.

Respondent thoroughly detailed the indexing methodology used to assess properties in subject's area. The evidence illustrated compliance with Idaho's market value standard and required valuation program.

The Assessor's valuation of property for the purposes of taxation is presumed correct. The Senator, Inc. v. Ada County Board of Equalization, 138 Idaho 566, 569, 67 P.3d 45, 48 (2003). The court will grant relief where the valuation fixed by the assessor is manifestly excessive, fraudulent or oppressive; or arbitrary, capricious and erroneous resulting in discrimination against the taxpayer. Merris v. Ada County, 100 Idaho 59, 593 P.2d 394 (1979).

It has long been recognized that sales are the best indicator of market value and Respondent provided several recent, similar, and proximate sales to support subject's assessment. No error in the methodology used to determine value was shown, nor does the record indicate that subject's assessment was arbitrary or capricious. Considering the evidence presented in this case, the Board will affirm the decision of the Kootenai County Board of Equalization.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Kootenai County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

DATED this 1st day of May 2007.